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SUBJECT: HONDURAN NATIONAL CONGRESS PASSES MIXED BAG OF
ELECTORAL REFORMS

REF: A. TEGUCIGALPA 1915
[1](#)B. TEGUCIGALPA 0469

Classified By: Charge' d'Affairs a.i. James Williard, reasons 1.4
(b &d)

[1](#)1. (C) SUMMARY: The Honduran National Congress approved new electoral reforms on December 20, 2007, in late-night, closed-door discussions only a few days after the Supreme Court ruled that the President of Congress, Roberto Michelleti, could run for President (ref. A). With substantive changes on the margins, the reforms are perceived as a blow to President Manuel "Mel" Zelaya, who some believe desires to stay in power. The most immediate impact is the rescheduling of the primaries three months in advance to November 2008, which will weaken the President, impede new candidacies, avoid conflict with congressional appointments and place Honduran selections ahead of elections in El Salvador. The weakening of the Supreme Electoral Tribunal may re-politicize the institution for relatively little in savings, but new public financing of elections potentially could have positive effects. The reforms also decentralize vote counting, include national observers, and allow mayoral and congressional candidates to run independently or form alliances. Districting and a return to party-line voting are noticeably absent in the reforms but could appear in the dictamen (report). Former President and Liberal Party leader Carlos Flores is worried that the new measures, by coming on the heels of Michelleti's victory, increase the chance that Zelaya will react strongly against them. END SUMMARY.

[1](#)2. (C) After a short debate that excluded direct input from civil society and the small parties, the Honduran National Congress at 2:00 a.m. on December 20, 2007, passed changes to 42 articles of the electoral law. This was the first time since 2004, preceding the 2005 elections, that the electoral law has been reformed. At that time, in a broad coalition with civil society, the attempt was to open up the system by enabling voters to choose their candidates directly instead of by party line, thereby loosening the grip of the economic elite on the National Congress. As many in the old guard then were voted out of office and newcomers took over in the Presidential Palace, the political establishment has engaged in a concerted effort to return to the old days. Only six days after the Supreme Court overturned the reform to Article 240 of the Constitution that prevented the Presidents of the National Congress and Supreme Court from running for the Presidency (ref. A), the National Congress rushed through this latest package of electoral reforms. The National Congress could have waited until the end of the current Congressional session in January 2008 to pass the reforms and still ratify them in the next session in time for the

2008/2009 elections, which former President Carlos Flores told the Ambassador would have softened the blow to President Zelaya.

13. (C) The electoral reforms approved by the National Congress can be divided up into the following five areas: Primary Elections, Electoral Tribunal, Public Financing, Scrutiny and Participation.

-- Change of Date of the Primaries: Under the new reforms, primary elections will be rescheduled for November 16, 2008, instead of February 20, 2009, a full year ahead of the general elections, ostensibly to avoid conflicting with Supreme Court, Attorney General, and Supreme Accounting Tribunal appointments and to spare Hondurans from an election season over the holidays. President Zelaya complained to the Ambassador that the change will prejudice the campaign of Mario Canahuati, former President of the business association COHEP and his second choice for the nomination. Showing a lack of understanding of the campaign financing part of the reforms, President Zelaya also complained in the press that the new primary date will damage the economy as candidates will be requesting campaign contributions from business leaders earlier than expected. National Party leader Pepe Lobo stated publicly that the move would help dissuade President Zelaya from trying to stay in power beyond his term by shortening the period in office of some of his key advisors like Liberal Party President Patricia Rodas and hastening the naming of a new nominee for the Liberal Party. The lengths of the primary and general election campaign seasons remain unchanged, and municipal elections still will fall on the same date as those of the National Congress and President.

-- Weakening of the Supreme Electoral Tribunal (TSE): The TSE now will operate at full capacity only two years prior to

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the general elections (the body currently operates that way continuously), which will save about one million USD a month in the off season. The timing of the reduction is curious, given that the TSE is supposed to be moving into a new building that cost USD 11 million. More importantly, it undermines the TSE's sustainability and institutional credibility. Guillermo Casco Callejas, Coordinator of the Civil Alliance for Democracy, said publicly that the reduction hurts the democratic process. Indeed, it will likely re-politicize the institution. In the 2005 general elections, TSE Magistrates played a key role in ensuring free and fair elections by maintaining a semblance of objectivity.

Two of the three smaller parties, the PINU (socialist) and UD (communist), were displeased for being excluded once again from leadership positions in the institution.

-- New Public Campaign Financing: The electoral reform stipulates that in every election year, one percent of the national budget will be allocated to finance political parties based on their percentage of votes in the previous elections. If properly managed and controlled, this potentially could have positive results by inhibiting the financing of campaigns by organized crime or outside sources such as the Sandinistas or Hugo Chavez. It is alleged that in the previous elections, both President Zelaya and Pepe Lobo received significant funding from questionable sources, including narcotraffickers. Guillermo Casco Callejas believes that with this reform, there no longer should be any excuse for lack of financial reporting. In fact, he said that parties should receive this public financing only on condition that they prepare three financial reports as part of the agreement (before, during and after the election). The TSE will be the entity responsible for supervising the auditing of these funds.

-- Voting Scrutiny: Committees of national observers are now included in the reform. USAID supported this initiative during the last elections, which proved to be a good mechanism to ensure transparency at polling stations. In addition, the counting of the vote will occur at the municipal level and will be supervised by the departments

(states) and verified by the TSE. This will diminish the role of the military in transporting ballots to a central location. In the last elections, the army apparently did a good job with this. However, the Zelaya Administration has extended the role of the military into civilian matters such as helping to run the public electric company ENEE. Also, questions have been raised as to why the President recently reappointed Commanding General Vasquez Velasquez for another three years, well beyond his mandatory retirement age.

-- Participation: The new reforms allow for independent candidacies, alliances and coalitions for mayoral and congressional candidates, but not for the presidential candidates. This is another relatively small step in the attempt by the major parties, such as efforts at the National Party Convention earlier this year (ref. B), to at least appear to be opening up the system while really closing ranks behind the scenes. The percentage of women required to be in party leadership--currently 30 percent--was not/not increased in the current reforms.

¶4. (C) Also noticeably absent was a return to some type of party-line voting, such as a mixed ballot in which the direct vote would be maintained, which would have been the most obvious way for the old guard to consolidate power. There also were proposals for districting, at least starting in the departments of Francisco Morazan (Tegucigalpa area) and Cortes (San Pedro Sula area), but for now the proportionality quotients used in the previous elections for determining winners are unchanged. It was feared that the smaller parties would disappear with districts, but new formulas to ensure their survival could be devised. Such proposals could appear in the final report (dictamen) of the electoral reforms.

¶5. (C) COMMENT: The electoral reform package is a mixed bag of potentially positive and negative changes that Post believes basically maintains the status quo and keeps democracy going in Honduras. Some of the positive moves like the rescheduling of the primaries for November 2008 and public financing of campaigns were in large part in reaction to concerns about the Zelaya Administration. The early primaries have the added benefit of limiting the influence of elections in neighboring El Salvador on the selection of Honduran candidates. The most significant setback is the weakening of the TSE, which may enable the old guard to reassert its control of elections in the future. The other reforms in vote counting and participation are relatively modest in scope. Post emphasized to political and Congressional leaders the need to strengthen institutions and increase transparency, but our message got somewhat diluted in the rush to deliver a political blow against President Zelaya and regain control of the electoral process by the old guard. National Human Rights Commissioner Ramon Custodio commented that the reforms fall short of perfecting democracy and reflect instead political expediency. He believes it would have been better for the National Congress to focus on legislation such as the consumer protection bill that has a real chance of helping the average Honduran. The electoral reforms passed by the National Congress still have to go through the Style Commission (official transcription) before we know for certain the full extent and potential impact of the changes. END COMMENT.

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